



# Request for Feedback | Engagement Session Oct. 5, 2023

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## SURVEY RESPONSE REPORT

05 October 2023 - 22 October 2023

### PROJECT NAME:

2024 Budget Development Process

# REGISTRATION QUESTIONS

**Q1 | First name**

ADC-Colette-Chekerda

Colette

10/10/2022 10:46 AM

GOA-Helene-Debeer

Helene

1/20/2023 03:14 PM

ENMAXColtonElhard

Colton

6/27/2023 01:25 PM

ShanelleS

Shanelle

10/18/2023 09:36 AM

**Mandatory Question** (4 response(s))**Question type:** Single Line Question**Q2 | Last name**

ADC-Colette-Chekerda

Chekerda

10/10/2022 10:46 AM

GOA-Helene-Debeer

de Beer

1/20/2023 03:14 PM

ENMAXColtonElhard

Elhard

6/27/2023 01:25 PM

ShanelleS

Sinclair

10/18/2023 09:36 AM

**Mandatory Question** (4 response(s))**Question type:** Single Line Question

**Q3 | Organization**

ADC-Colette-Chekerda

10/10/2022 10:46 AM

Alberta Direct Connect Consumer Association - ADC

GOA-Helene-Debeer

1/20/2023 03:14 PM

Government of Alberta

ENMAXColtonElhard

6/27/2023 01:25 PM

ENMAX Corporation

ShanelleS

10/18/2023 09:36 AM

Heartland Generation

**Mandatory Question** (4 response(s))**Question type:** Single Line Question

# SURVEY QUESTIONS

**Q1 | Are you aligned with the AESO's 2024 area of focus, priorities and pace that are based on June stakeholder consultations and support the future of electricity in Alberta? If not, please specify.**

GOA-Helene-Debeer

10/11/2023 10:13 AM

Yes

ADC-Colette-Chekerda

10/19/2023 04:38 PM

The ADC supports the AESO's areas of focus and recognizes the significant amount of work ahead to sort through the projects wanting to connect.

ENMAXColtonElhard

10/20/2023 09:58 AM

In general, ENMAX agrees with the AESO's proposed areas of focus and priorities and is supportive of the AESO needing to remain agile and prepared for potential changes in direction, pace and outcome. The expertise of industry participants should continue to be leveraged by the AESO to inform any government directed analysis or recommendations. As it relates to Market Evolution, the AESO has noted that it may need to take immediate actions to bridge the gap through separate processes and initiatives. Maintaining transparency to the market will be important and any immediate actions should not forgo the requirement to ensure any proposed solutions are cost effective, beneficial and in the best interest of consumers. In light of the many potential market policy changes being considered, the AESO will need to coordinate closely with the AUC, MSA and provincial and federal governments to ensure that any changes are not being considered in isolation and that efforts are not being unnecessarily duplicated. This would also ensure that each agency is staying within their respective roles and mandates and leaving policy development up to governments.

ShanelleS

10/20/2023 10:09 AM

Heartland Generation agrees with the AESO that reliability should remain paramount and believes that actions need to be taken immediately and sooner than the timelines provided in the Reliability Requirements Roadmap.

**Mandatory Question** (4 response(s))

**Question type:** Essay Question

**Q2 | Did the AESO miss something crucial in our priorities to support the future of electricity in the province, and any associated impacts on capital or consulting dollars? If so, please specify.**

GOA-Helene-Debeer

Yes

10/11/2023 10:13 AM

ADC-Colette-Chekerda

10/19/2023 04:38 PM

1. The AESO spent many years on the bulk and regional tariff design with no conclusive outcome, this item seems to have dropped off the radar. In order to design tariffs with cost causation in mind, the T-reg must change. The AESO is the only party that can provide information to the GoA needed to support this policy change. The AESO should model what the potential impacts/benefits to consumers would be if costs (transmission and ancillary services) were allocated to those who were causing them, whether it be load, generation, or specific generation asset classes. ADC requests the AESO allocate resources to examine cost causation and how a different tariff model may impact reliability, consumer affordability, and potentially the generation mix. For example, allocating the cost of new ancillary services required to stabilize frequency, inertia, and voltage to intermittent resources will impact the value proposition of developing new intermittent generation in the province. This may encourage intermittent resources to add storage to their projects, or contract with other dispatchable resources for those attributes. The AESO is the only agency in the position to model the impact of tariffs on affordability and market reliability, and this is an essential piece needed to inform recommendations on the energy market changes. 2. The AESO needs to reach out to all the large industrials in the province and gain a fulsome understanding of the actions large emitters are taking to mitigate their own carbon exposure. The AESO may be missing a key piece of information in their forecast if they are not considering all actions being pursued to decarbonize industrial operations.

ENMAXColtonElhard

10/20/2023 09:58 AM

Enabling transformation within Alberta's electricity industry will be a multi-year process and ENMAX would like to understand how the AESO plans to temper large increases on capital and consulting dollars year over year, as this will also extend to the AESO's energy market trading charge. In future years, stakeholders may benefit from seeing a multi-year budget and variances year over year to ensure projects and initiatives that will require a heavy lift (example: IT and systems related expenditures) are remaining on budget.

ShanelleS

No.

10/20/2023 10:09 AM

**Mandatory Question** (4 response(s))**Question type:** Essay Question

### Q3 | Do you require additional clarity on any aspect or component of the 2024 Preliminary Forecast and Budget? If so, please specify.

GOA-Helene-Debeer

10/11/2023 10:13 AM

• Slide 39: Other Industry Costs Could you please confirm or explain: what are the AUC Fees for Transmission? Are these costs of AUC staff for proceedings related to Transmission applications? Could you please confirm or explain: what are the AUC Fees for Energy Market are? Are these costs of AUC staff for proceedings related to Generator applications? Could you please confirm or explain: what are the Regulatory Process Costs? Are these for cost recovery claims from parties that participate in proceedings? • Slide 40: Preliminary Energy Market Trading Charge Could you please confirm or explain: what are the AESO costs? Are these costs incurred by AESO to run the energy trading platform? Could you please confirm or explain: what is the Energy Market Deficit (Surplus)? Is this the deficit/surplus of AESO cost (item above) overcharged or undercharged for previous years? Can you please explain: what is the AUC's Portion of Energy Market Administration Fee? • Slide 41: Preliminary Energy Market Trading Charge – Recoverable Costs How are these numbers calculated? If I multiply AIL forecast (from slide 56) with trading charge (slide 40), we do not get the numbers on this slide. • Slide 48: Transmission Operating Costs 2024 Forecast Summary Can you please confirm or explain: what are Wires Costs? Are these the sum of revenue forecasts of the TFO's? Can you explain: why are Ancillary Services costs lower in 2024, given the planned FFR procurement in 2024? How are Transmission Line Losses calculated and why is this number not negative, given these are paid by generators?

ADC-Colette-Chekerda

10/19/2023 04:38 PM

The ADC has no further comments.

ENMAXColtonElhard

10/20/2023 09:58 AM

What is the overall budget impact of the additional 52 FTE's? It appeared the AESO gave a breakdown for new additions in its 2023 budget, but not for 2024.

ShanelleS

10/20/2023 10:09 AM

Heartland Generation thanks the AESO for the opportunity to participate and the invitation to present to the Board. From the October 5 information session, Heartland Generation understands that two pieces of analysis have been completed but were not included in the October 5 presentation. Heartland Generation requests that the following information be provided: 1. A chart showing the AESO's costs as compared to other ISOs' costs. This metric was provided to the public in past years and is a key metric to



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keep Alberta competitive and attract investment. 2. On slide 58 the operating reserves estimate for 2024 was provided. Heartland Generation requests that this number be broken down by product (regulating, supplemental, or spinning reserves).

**Optional question** (4 response(s), 0 skipped)

**Question type:** Essay Question